



P.O. Box 910, East Carbon, Utah 84520 794 North "C" Canyon Rd, East Carbon, Utah 84520
Telephone (435) 888-4000 Fax (435) 888-4002

Daron Haddock
Permit Supervisor
Utah Division of Oil, Gas and Mining
P.O. Box 145801
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

January, 7, 2013
Resubmitted January 30, 2013

Re: Permit renewal
Crandall Canyon Mines
C/015/032
January, 7, 2013

Dear Mr. Haddock:

Attached you will find materials submitted to satisfy the requirements for Permit Renewal.

- 1) The approved mining and reclamation plan is on file with the Division.
- 2) A current certificate of liability insurance showing that adequate coverage exists.
- 3) Attached is the summary sheet showing adequate bond is in effect and escalated through the renewal period. The bonding calculations were recently redone in conjunction with the Burma Pond approval.
- 4) A copy of the proposed newspaper notice is attached for your review. Once approved UEI will publish and provide the required affidavit of publication.
- 5) A new 5-year mining sequence plan is shown on the attached map.
- 6) UEI does not anticipate any contemporaneous reclamation during the permit term.
- 7) UEI does not anticipate any additional lease application areas within the permit term.
- 8) There are no changes to the plan required by changes in the rules or regulatory requirements or by division Order. The additional water monitoring requirements will be added once the new PHC has been finally approved. Should be received by DOGM about the same time as this application.
- 9) The new Ownership and control information has been submitted for replacement of Appendix 1-9.

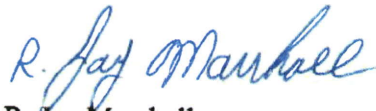
File in: C/0150032 Incoming
Date 01/30/2013 Refer to:
☒ Confidential
☐ Shelf
☐ Expandable
For additional information

Three copies of the application has been submitted for your review and approval.

A C1 and C2 form is being submitted with this application as well as a redline strike out of the mailing address changes found in Chapter 1.

If you have any questions please give me a call at (435) 888-4007.

Sincerely,

A handwritten signature in blue ink that reads "R. Jay Marshall". The signature is written in a cursive style with a large, stylized "M".

R. Jay Marshall
Resident Agent

PUBLIC NOTICE FOR PERMIT RENEWAL
CRANDALL CANYON MINES
P. O. BOX 1077
PRICE, UTAH 84501

Genwal Resources, Inc., P.O. Box 1027, Price, Utah 84501, has filed application for a five year permit renewal (C/015/032) for its Crandall Canyon Mines with the Utah Division of Oil, Gas and Mining. The permit area is located in Huntington Canyon on the Rilda Canyon USGS quadrangle map. The description of the permitted area is as follows:

Township 15 South, Range 6 East, SLBM

Section 25: S $\frac{1}{2}$,
Section 26: S $\frac{1}{2}$,
Section 35: All, and
Section 36: All

Township 15 South, Range 7 East, SLBM

Section 30: Lots 7-12, SE $\frac{1}{4}$,
Section 31: All, and
Section 32: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$.

Township 16 South, Range 6 East, SLBM

Section 1: Lots 1-12, SE $\frac{1}{4}$
Section 2: All,
Section 3: E $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$,
and,
Section 10: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$.

Township 16 South, Range 7 East, SLBM

Section 4: **Topsoil Stockpile #3** - Approximately 0.5 acres located within NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, (corresponding to boundary of Forest Service Special Use Permit issued 8/17/87);
Topsoil Stockpile #4 - Approximately 0.5 acres located within SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ situated approximately 150' north of Topsoil Stockpile #3;
Section 5: Lots 2, 3, 5, 6 and 8, SW $\frac{1}{4}$
Forest Service Special Use Area- Sediment Pond: an area approximately 150' x 400' (1.5 acres) located within SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, (corresponding to boundary of Forest Service Special Use Permit issued 7/28/83);
Topsoil Stockpile #1 - Approximately 0.2 acres located within SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, (corresponding to boundary of Forest Service Special Use Permit issued 8/17/87);
Topsoil Stockpile #2 - Approximately 0.2 acres located within SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, (corresponding to boundary of Forest

Service Special Use Permit issued 8/17/87); and

Section 6: Lot 1 S1/4NE1/4, Lots 2-4 (SW1/4NE1/4).
Section 8: E1/2, NW1/4, and
Section 9: NW1/4

Township 17 South, Range 8 East, SLBM

Section 5: Lot 6 Burma Pond

Total Permit Area: 6295.06 acres.

A copy of this application is available for inspection at the Division of Oil, Gas and Mining at 1594 West North Temple, Suite 1210, Salt Lake City, Utah. Comments, objections, or requests for an informal conference should be addressed to the Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah 84114-5801.

APPLICATION FOR PERMIT PROCESSING

Permit Change ☐New Permit ☐Renewal ☐Transfer ☐Exploration ☐Bond Release ☐

Permit Number: 015/032

Title of Proposal: permit renewal (12-011)

Mine: GENWAL Mine

Permittee: GENWAL Resources, Inc.

Description, include reason for application and timing required to implement.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	2. Is the application submitted as a result of a Division Order?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	9. Is the application submitted as a result of a Violation?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain:
<input type="checkbox"/> Yes	<input type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

☐ Attach 3 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

R. J. Marshall 11/30/13
Signed Name - Position - Date

Subscribed and sworn to before me this 30th day of January 2013

My Commission Expires March 27 2013
Attest: Linda Kerns
STATE OF Utah
COUNTY OF Wasatch



LINDA KERNS
NOTARY PUBLIC • STATE of UTAH
COMMISSION # 578211
COMM. EXP. 03-27-2013

Received by Oil, Gas & Mining

ASSIGNED TRACKING NUMBER

Bonding Calculations
Crandall Canyon Mine C/007/032
Revised

June 5, 2012

Bond Summary

Direct Costs

Subtotal Demolition and Removal	\$772,145.67
Subtotal Backfilling and Grading	\$552,982.72
Subtotal Revegetation	\$62,735.00
Direct Costs	\$1,387,863.39

Indirect Costs

Mob/Demob	\$138,786.00	10.0%
Contingency	\$69,393.00	5.0%
Engineering Redesign	\$34,697.00	2.5%
Main Office Expense	\$94,375.00	6.8%
Project Mainagement Fee	\$34,697.00	2.5%
Subtotal Indirect Costs	\$371,948.00	26.8%

Total	\$1,759,811.39
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Escalation factor	0.012
Number of years	5
Escalation	\$108,153.00

Total Main Mine	\$1,867,964.39
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East Mountain	\$404,619.00
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Reclamation Cost 2015	\$2,272,583.39
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Bond Amount (rounded to nearest \$1,000)	\$2,273,000.00
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Bond Posted 2011	\$2,327,000.00
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Difference Between Cost Estimate and Bond	\$54,000.00
Percent Difference	2.38%

NOTE: GENWAL has posted a bond in the amount of \$720,000 for mine water treatment pursuant to the terms of the Board Order of March 6, 2012.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/16/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Reschini Agency, Inc. 922 Philadelphia Street P.O. Box 449 Indiana PA 15701		CONTACT NAME: Karen Williams PHONE: (724) 349-1300 FAX: (724) 349-1446 E-MAIL: kwilliams@reschini.com ADDRESS:	
INSURED Genwal Resources, Inc. A Subsidiary of UtahAmerican Energy, Inc. 6750 N. Airport Road Price UT 84501		INSURER(S) AFFORDING COVERAGE INSURER A: Federal Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 20281	

COVERAGES

CERTIFICATE NUMBER: Genwal 12-13

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY					
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR			6/1/2012	6/1/2013	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
						MED EXP (Any one person) \$ 10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC					GENERAL AGGREGATE \$ 2,000,000
	AUTOMOBILE LIABILITY					PRODUCTS - COM/OP AGG \$ 2,000,000
	ANY AUTO					
	ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$
	HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per person) \$
	UMBRELLA LIAB	<input type="checkbox"/> OCCUR				BODILY INJURY (Per accident) \$
	EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE				PROPERTY DAMAGE (Per accident) \$
	DED <input type="checkbox"/> RETENTION \$					
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					EACH OCCURRENCE \$
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N				AGGREGATE \$
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				
						WC STATUTORY LIMITS <input type="checkbox"/> OTH. ER <input type="checkbox"/>
						E.L. EACH ACCIDENT \$
						E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Crandall Canyon Mines Act 015/032. Should any of the above described policies be changed and/or cancelled before the expiration date thereof, the issuing company will mail (certified) 45 days written notice to the certificate holder. General Liability Coverage is inclusive of XCU Coverage.

CERTIFICATE HOLDER**CANCELLATION**

State of Utah Dept of Natural Resources
Division of Oil, Gas & Mining/STB1210
Attn: Daron Haddock
1594 W. N. Temple, Box 145801
Salt Lake City, UT 84114-5801

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

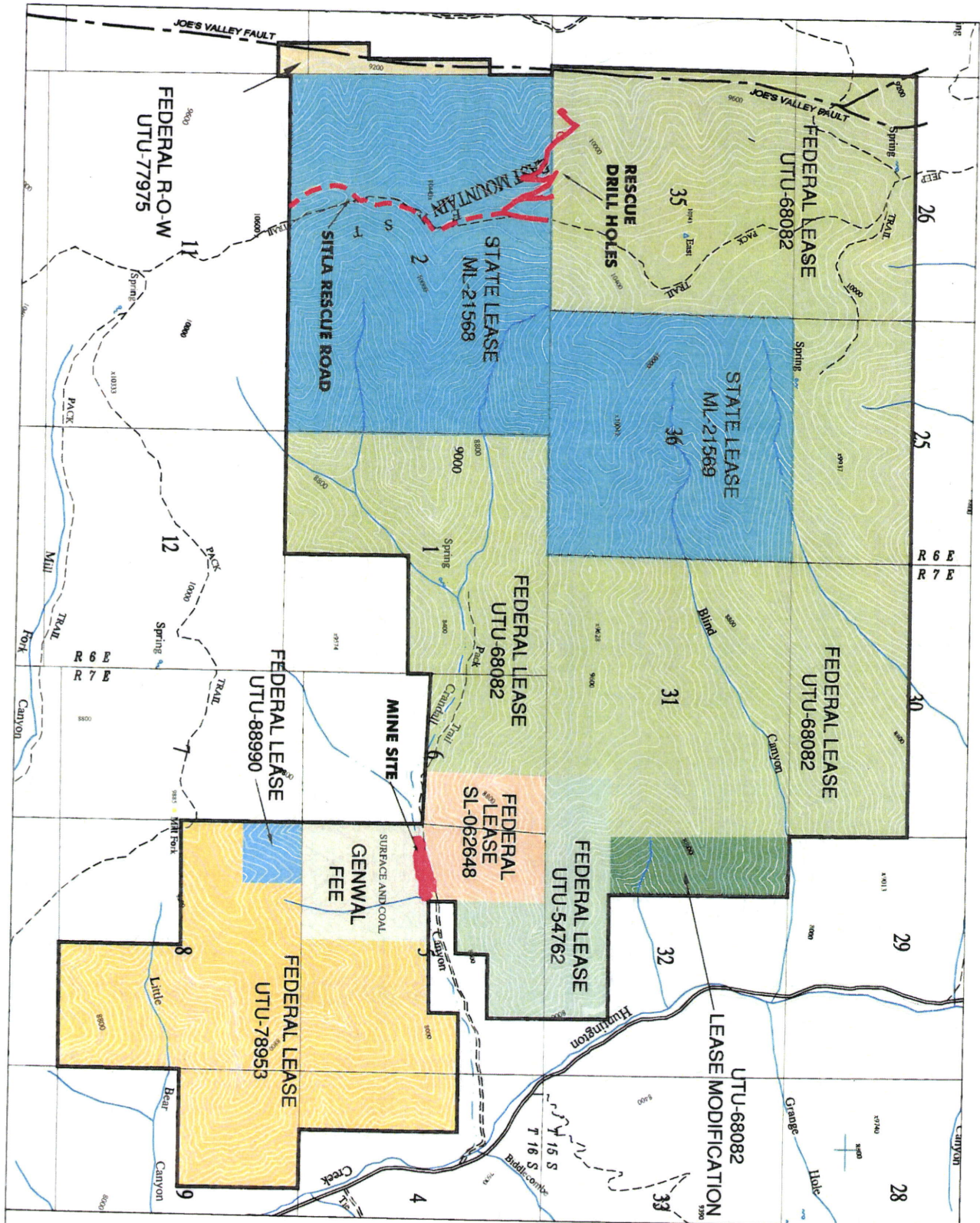
Karen Williams/KAREN

ACORD 25 (2010/05)

INS025 (201005)01

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LEGEND

UDOGM PERMIT BOUNDARY

MINE SURFACE FACILITIES

THE PERMIT AREA IS ENTIRELY WITHIN THE MANTI - LA SAL NATIONAL FOREST



P.O. Box 1077, 794 North "C" Canyon Rd, Price Utah
Telephone: (435) 889-4000

CRANDALL CANYON MINE LEASE / PERMIT AREA MAP

REV: 10	ACAD: LEASE SOCRAN9
DATE: 6-20-08	BY: JDS
SCALE: 1"=2000'	PLATE #: 1-1